



European Policies
Research Centre

Priority 2 and the NPA area analysis

Irene McMaster

**‘Shape the future NPA’
consultation workshop**

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NORTHERN PERIPHERY AND ARCTIC PROGRAMME AREA

Extreme peripherality from major economic centres and sparse populations are defining characteristics that present a strong rationale for cooperation across the territory





Economy and Innovation

- GDP generally above EU average, but peripheral regions lagging behind national averages.
- Long standing economic patterns - reliance on primary industries
- Increased economic diversification and opportunities in growth sectors.
- Economic shocks (e.g. Covid and Brexit) likely to bring long-term economic impacts, challenging recovery for peripheral regions, need for building capacity for adaptation and resilience.
- Dominance of SMEs and micro businesses but also often resource-based multinational firm activity.
- Focus on building critical mass and capacity for resilience.



Green and environment

- Diverse, unique environments and abundant environmental and natural resources
- Environmental challenges linked to the exploitation of natural resources, environmental protection and climate change.
- Challenges have driven innovation, capacity and leadership in 'Green technologies'.
- Networks for environmental monitoring and strategic analysis well developed.
- The region already has substantial renewable energy generation and expertise in the sector.



Connectivity and Networks

- Geographical and climatic conditions of the NPA present challenges for both transport and digital connectivity
- Economic development in peripheral regions, which are distanced from major markets, is strongly correlated with good transport infrastructure.
- Digitalisation has enormous potential to overcome some of the specific challenges facing NPA areas.



Communities and People

- Sparse population is a defining characteristic of the NPA area.
- A wide variety of cultures, with their own distinctive cultural identity and a range of minority languages.
- Ageing populations and the outmigration of young adults (particularly women) are longstanding development concerns.
- Impacts of migration on access to key skills and competencies
- Regional well-being figures - NPA regions rate highly
- The tertiary educational attainment generally high in the NPA countries
- Employment, rates are generally high, but these have fallen as a result of the Covid crisis.

Focus on cooperation ... PO2 – A Greener Low Carbon-Europe

- **Combating climate change** and climate change adaptation/resilience are major challenges.
 - Direct and rapid impact of climate change in the High North.
 - Vulnerability of NPA territories and territorial types, e.g. coastal communities.
- **High impact of pollution** on sensitive environments.
- **Expertise in renewable energy**, low carbon, energy efficiency
- Growing focus on the **circular economy**.
 - Requires new tailored solutions and innovations to transform production processes and change consumer behaviour, e.g. in waste prevention, recycling and the sharing economy.
 - Tradition of self-reliance, reusing and repurposing in remote communities.
- **Community engagement and capacity** is key in remote and sparsely populated areas to ensure green, sustainable and tailored responses based on territorial specificities.
- **Opportunities to transfer knowledge/experience** to other places through inter-regional networks linked to variable experience in working with new concepts and approaches across the territory – scope for knowledge transfer, skills development, cooperation.

- a)
Promoting energy efficiency measures
- f)
Promoting the transition to a circular economy

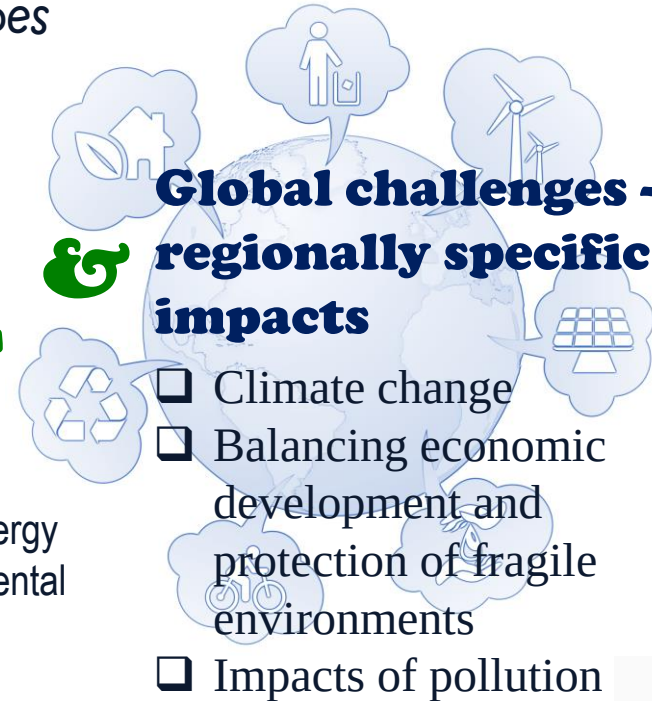


- ✓ Abundant environmental and natural resources
- ✓ High environmental quality
- ✓ Diverse natural and cultural landscapes

GREEN DEVELOPMENT & ENVIRONMENT



- **Leadership** in green technologies
- **Expertise** and application on renewable energy
- **Expertise** and global expertise in environmental monitoring and strategic analysis
- **Networks** and collaboration



Thank you for your attention

irene.mcmaster@strath.ac.uk

